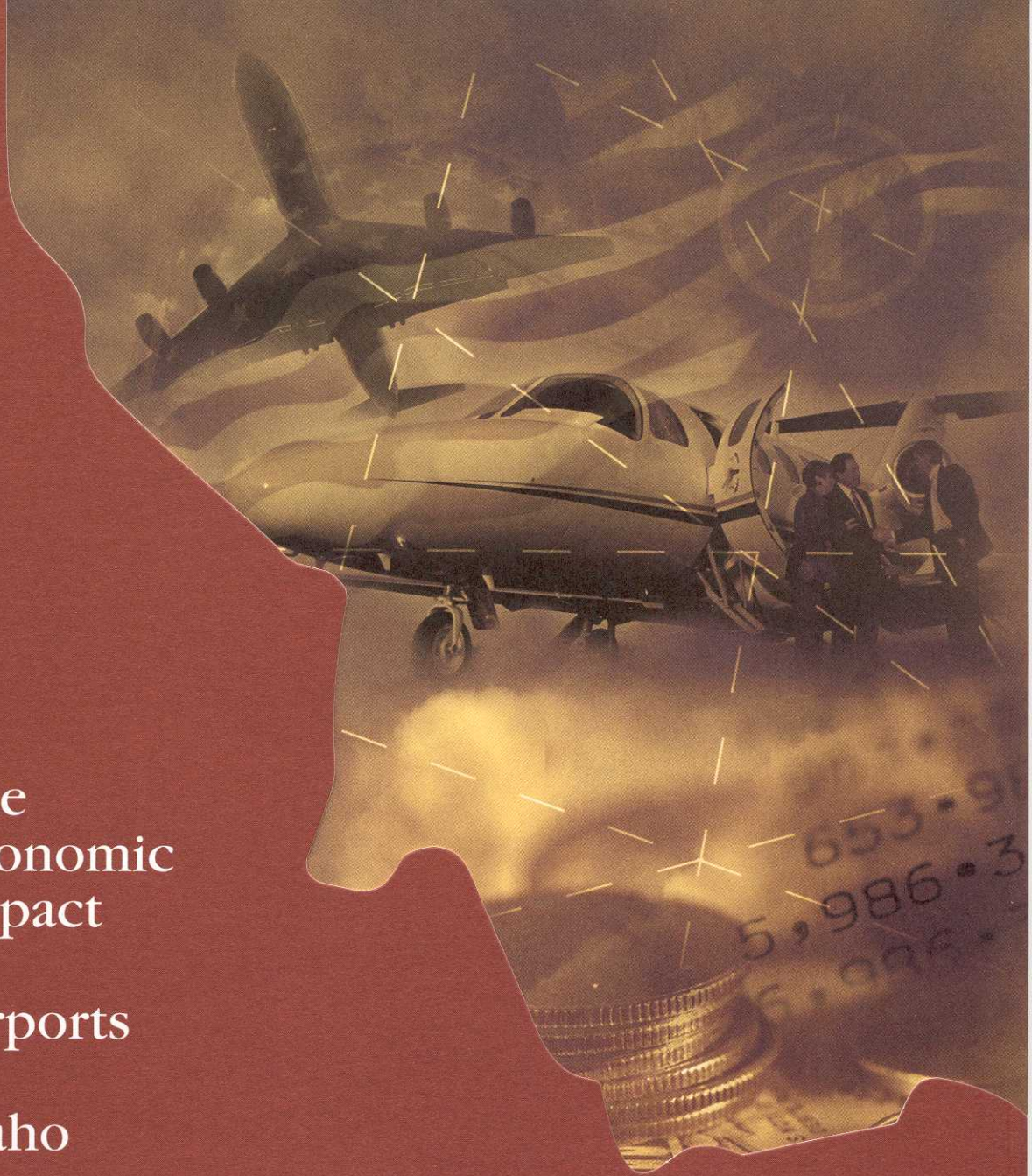


The  
Economic  
Impact  
of  
Airports  
in  
Idaho





## Introduction

As the world moves toward a global economy, there simply is no substitute for aviation. The Idaho Transportation Department's Division of Aeronautics recently undertook a comprehensive evaluation of Idaho's public-use airport system. This evaluation was designed to insure that

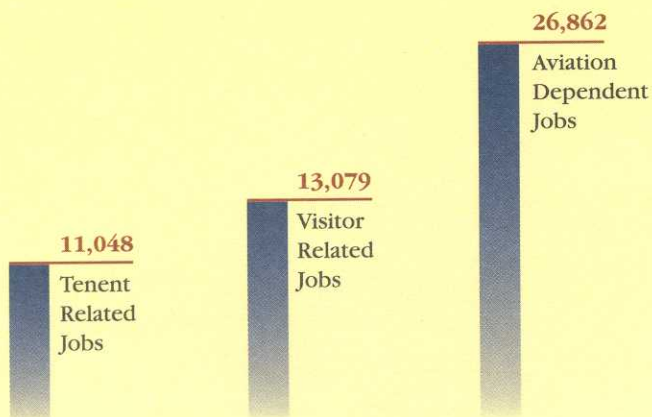
Idaho would have an airport system to meet not only the State's transportation requirements, but also a system that supports economic growth and diversification. A separate analysis was undertaken to show how

Idaho's system of public-use airports serves as an economic engine to communities throughout the State.

This report summarizes the various economic and other benefits that were found to be associated with

airports throughout Idaho.

The preparation of this document was  
through a grant from the Federal Aviation  
Administration. The contents of this report  
do not necessarily reflect the views of the  
Department of Transportation.



Idaho's Airport System supports thousands of jobs



## Summary of Findings

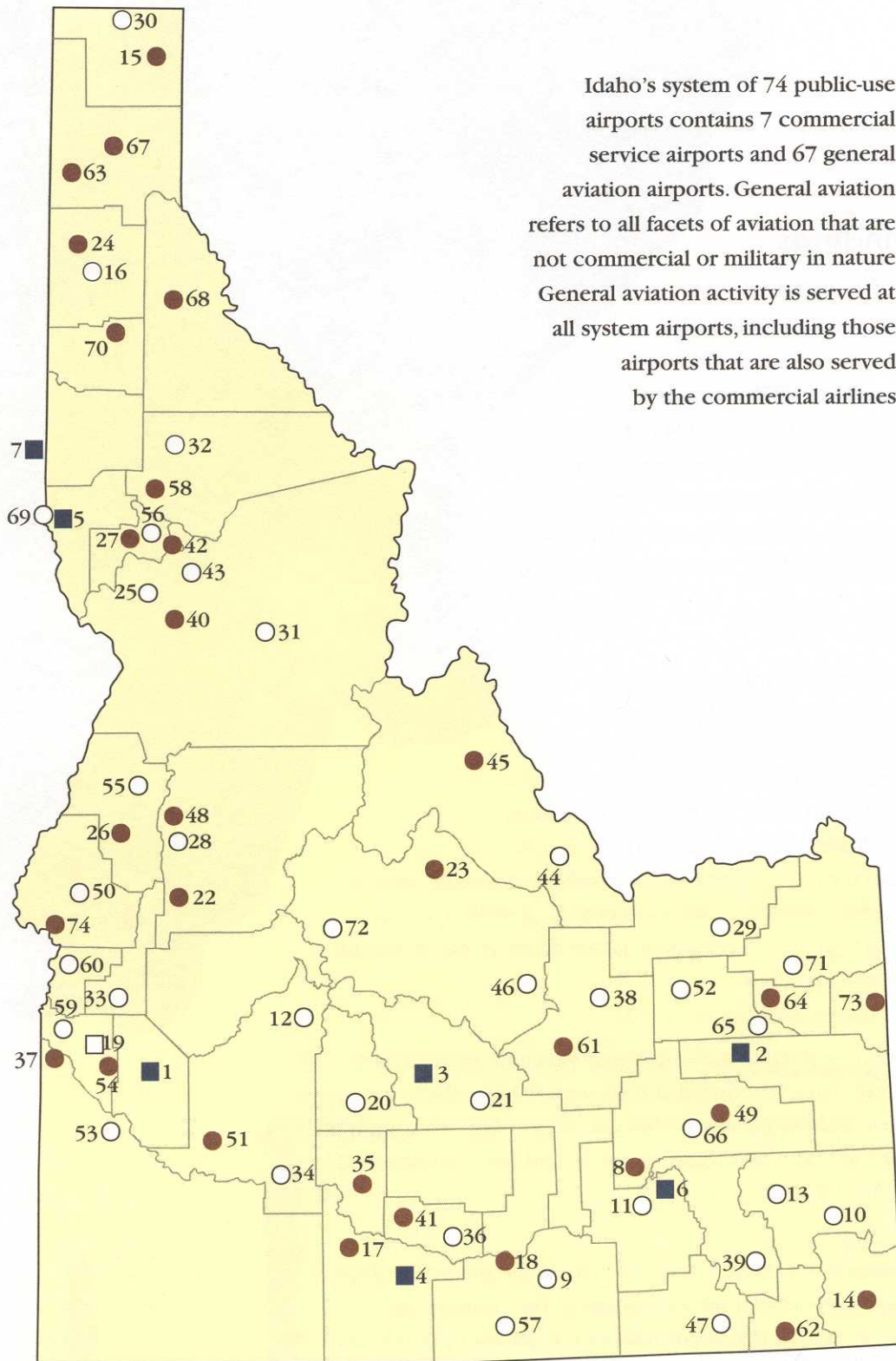
This report summarizes the statewide and the airport specific benefits that were found to be associated with Idaho's public-use airport system. Benefits that are associated with Idaho's airports that are served by commercial airlines, as well as benefits stemming from the State's extensive system of general aviation airports, are discussed in this report. The vast importance of the Idaho Airport System is highlighted by the following facts:

- Idaho's airports are major centers of employment throughout the State. There are literally hundreds of businesses located at the public-use airports in Idaho. Airlines, FBOs, concessionaires, and various governmental agencies are responsible, on a first round and a secondary basis, for 11,048 jobs. These jobs have an associated annual payroll that is estimated to be in excess of \$276 million. Annually, Idaho's aviation-related businesses pump approximately \$762.8 million into the statewide economy as they purchase various goods and services to sustain their on-airport business activities.
- Over 1.1 million visitors arrived in Idaho last year via commercial airlines and general aviation aircraft. On a first round and secondary basis, these visitors to Idaho spent an estimated \$583.6 million. This spending helped to support an estimated 13,079 jobs in Idaho, and these visitor-related jobs had an annual payroll estimated at \$284.1 million.
- Non-aviation businesses throughout Idaho also rely on the public-use airport system. A recent survey shows that for 72 percent of the responding businesses, commercial airlines that serve Idaho are essential or important, while 40 percent of the respondents believe general aviation is essential or important to their business. There are an estimated 26,862 additional jobs in Idaho that rely on or in some way gain added efficiency from the Idaho airport system.

*The remainder of this report discusses study methodology and findings and also presents the benefits that are associated with each system airport.*



Idaho's system of 74 public-use airports contains 7 commercial service airports and 67 general aviation airports. General aviation refers to all facets of aviation that are not commercial or military in nature. General aviation activity is served at all system airports, including those airports that are also served by the commercial airlines.



■ Commercial Service    □ Reliever    ● General Aviation    ○ Community Access

## Idaho's Airport System

Last year, there were over 1.6 million passengers who boarded commercial airlines serving Idaho airports. Of these 1.6 million "enplaning" passengers, an estimated 46 percent were visitors to the State, while the remaining 54 percent were residents.

Over 146,000 commercial airline operations were accommodated at Idaho's 7 commercial service airports last year. All system airports, including the commercial service airports, served a total of 1.6 million annual general aviation operations. There are

2,568 general aviation aircraft that are permanently stored or "based" at airports in the Idaho system.



Idaho's system of 74 public-use airports serves a wide variety of aviation activities. General aviation airports serve not only corporate and business users, but these airports also play an important role in supporting recreation and tourism in the State. Idaho's commercial airports accommodate operations by regional/commuter airlines, as well as major airline operations. Air cargo activities are also supported by the State's aviation system, as is some military activity.

## 74 Airports Analyzed in Economic Impact Study

- |   |                                       |                                    |
|---|---------------------------------------|------------------------------------|
| 1 ■ Boise Air Terminal (Gowen Field)        | 26 ● Council Municipal                | 51 ● Mountain Home Memorial        |
| 2 ■ Fanning Field, Idaho Falls              | 27 ● Craigmont Municipal              | 52 ○ Mud Lake                      |
| 3 ■ Friedman Memorial, Hailey               | 28 ○ Donnelly                         | 53 ○ Murphy Airstrip               |
| 4 ■ Joslin Fld-Magic Valley Reg.-Twin Falls | 29 ○ Dubois Municipal                 | 54 ● Nampa Municipal               |
| 5 ■ Lewiston-Nez Perce County               | 30 ○ Eckhart International (Porthill) | 55 ○ New Meadows                   |
| 6 ■ Pocatello Regional                      | 31 ○ Elk City                         | 56 ○ Nez Perce Municipal           |
| 7 ■ Pullman/Moscow Regional                 | 32 ○ Elk River Municipal              | 57 ○ Oakley Municipal              |
| 8 ● Aberdeen Municipal                      | 33 ○ Emmett Municipal                 | 58 ● Orofino Municipal             |
| 9 ○ Albion Municipal                        | 34 ○ Glens Ferry Municipal            | 59 ○ Parma                         |
| 10 ○ Allen H. Tigert Field, Soda Springs    | 35 ● Gooding Municipal                | 60 ○ Payette Municipal             |
| 11 ○ American Falls                         | 36 ○ Hazelton Municipal               | 61 ● Pope Field, Arco-Butte County |
| 12 ○ Atlanta                                | 37 ● Homedale Municipal               | 62 ● Preston                       |
| 13 ○ Bancroft Municipal                     | 38 ○ Howe                             | 63 ● Priest River Municipal        |
| 14 ● Bear Lake County, Montpelier           | 39 ○ Hyde Memorial, Downey            | 64 ● Rexburg-Madison County        |
| 15 ● Boundary County, Bonners Ferry         | 40 ● Idaho County, Grangeville        | 65 ○ Rigby-Jefferson County        |
| 16 ○ Brooks Seaplane                        | 41 ● Jerome County, Jerome            | 66 ○ Rockford Municipal            |
| 17 ● Buhl Municipal                         | 42 ● Kamiah Municipal                 | 67 ● Sandpoint (Dave Wall Field)   |
| 18 ● Burley Municipal                       | 43 ○ Kooskia Municipal                | 68 ● Shoshone County, Kellogg      |
| 19 □ Caldwell Industrial                    | 44 ○ Leadore                          | 69 ○ Snake River Seaplane Base     |
| 20 ○ Camas County, Fairfield                | 45 ● Lemhi County, Salmon             | 70 ● St. Maries (Pangborn Field)   |
| 21 ○ Carey                                  | 46 ○ Mackay                           | 71 ○ Stanford Field, St. Anthony   |
| 22 ● Cascade                                | 47 ○ Malad City                       | 72 ○ Stanley                       |
| 23 ● Challis                                | 48 ● McCall                           | 73 ● Teton Peaks-Driggs Municipal  |
| 24 ● Coeur d'Alene Air Terminal             | 49 ● McCarley Field, Blackfoot        | 74 ● Weiser Municipal              |
| 25 ○ Cottonwood                             | 50 ○ Midvale (Lee Williams Memorial)  |                                    |



## Total Annual Economic Impacts

Direct + Indirect + Induced



## Secondary Impacts

Induced



## First Round Impacts

Direct + Indirect



*Spending that starts as a direct result of an airport, ripples through the economy creating successive waves of economic benefit. For this analysis, the first round impacts associated with Idaho's Airport System are linked to businesses or tenants on each airport, as well as to all visitors to Idaho who arrive via aviation. The value-added benefits that businesses throughout Idaho gain as a result of their use of the airport system are also measured, but those benefits are expressed independently of the tenant and visitor benefits.*

## The Economic Cycle

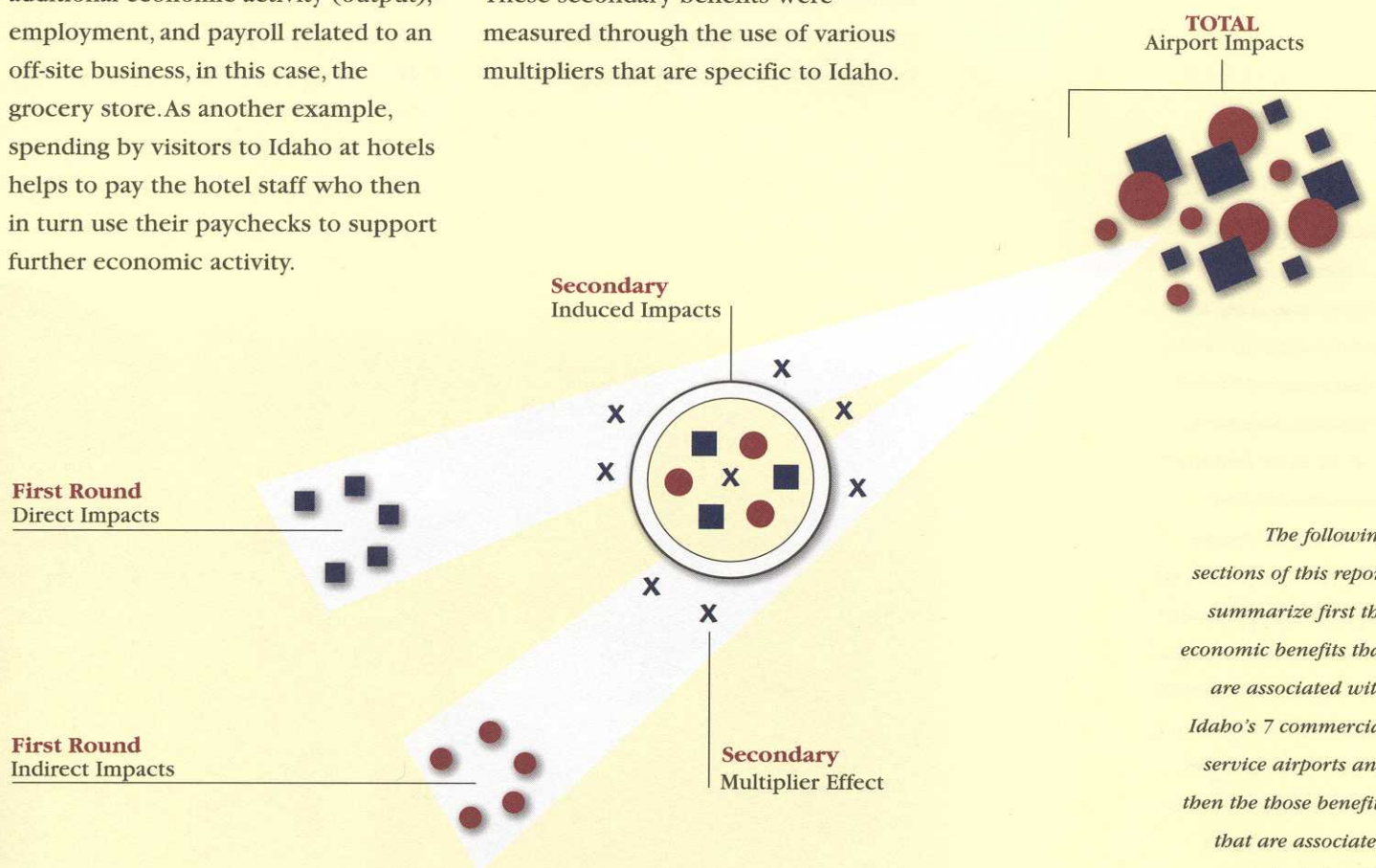
## Study Methodology

To calculate the statewide and airport specific benefits of Idaho's system airports, a standard econometric modeling process was used. Through various survey efforts, "direct" economic benefits related to tenants and "indirect" benefits related to visitors to Idaho were measured. As these benefits are released into the local and statewide economies, additional economic benefits are created. As an example, when an airport employee uses their paycheck to buy groceries, this spending helps to support additional economic activity (output), employment, and payroll related to an off-site business, in this case, the grocery store. As another example, spending by visitors to Idaho at hotels helps to pay the hotel staff who then in turn use their paychecks to support further economic activity.

The first round (direct and indirect impacts) economic activity associated with each airport and its visitors and tenants recirculates or "multiplies" until benefits ultimately leak outside the geographic area for which economic modeling is being conducted. Within the economic modeling process, additional benefits that result from the first round are referred to as "induced" benefits. In this analysis for the State of Idaho, these induced benefits are referred to as secondary benefits. These secondary benefits were measured through the use of various multipliers that are specific to Idaho.

These multipliers are used to trace the flow of airport-related economic activity through Idaho's local and statewide economies.

For this study, economic benefits were assigned on a statewide and an individual airport basis to one of three categories: jobs, payroll, and output. Output can be thought of as a measure of annual economic activity or spending by airport tenants or visitors for goods and services.



*The following sections of this report summarize first the economic benefits that are associated with Idaho's 7 commercial service airports and then the those benefits that are associated exclusively with Idaho's system of 67 airports that serve only general aviation.*

## The Multiplier Effect



## Visitors to Commercial Service Airports

Last year, an estimated 845,388 visitors came to Idaho on flights that arrived at Idaho's commercial service airports. An estimated 87 percent of these visitors arrived on flights operated by commercial airlines, while the remaining 13 percent arrived at these same airports on general aviation aircraft.

When these visitors arrived in Idaho, they spent money for hotels/motels, meals in restaurants, various forms of entertainment, shopping, and other transportation. Last year, visitors who arrived in Idaho using one of the commercial service airports spent

an estimated \$290.9 million. As this first round spending or output recirculated or multiplied, secondary output benefits were realized. The total output/spending benefit calculated for visitors arriving in Idaho by way of the commercial airports was estimated at \$505.8 million. This total spending or output supported a total of 11,343 jobs that were related to visitors arriving via the commercial service airports. These jobs have an estimated annual payroll of \$246 million.

*Visitors who use the commercial service airports may come to Idaho on a large commercial jet, a regional/commuter aircraft, or on any type of general aviation aircraft. While visitors come to Idaho for a wide variety of reasons, all visitors who arrive in Idaho by way of the State's seven commercial airports help in some way to contribute to the Idaho economy and hence to the economic benefit that can be traced to the State's Airport System.*





## Tenants at Commercial Service Airports

There are many businesses located on Idaho's 7 commercial service airports that provide services to support commercial, general aviation, and air cargo activity. Survey results show that businesses located at Idaho's commercial service airports support an estimated 5,232 jobs on a direct basis. When the multiplier effect is also considered, total employment linked to tenants at Idaho's commercial service airports is estimated at 9,627.

Payroll for those employees who work on-site at one of Idaho's commercial service airports is estimated at \$155.9 million. When study multipliers were used to show how this payroll re-circulates once it is released

into the economy, total payroll for all tenant-related employment (first round and secondary) at Idaho's commercial service airports is estimated at \$253.3 million.

First round and secondary output or spending related to all tenants at Idaho's commercial service airports is estimated at \$681 million. As these impressive figures demonstrate, the State and the communities that are served by Idaho's 7 commercial service airports receive a tremendous economic benefit from the activities of the businesses who are located at each of these system airports.



*There are many aviation-related businesses located on Idaho's commercial service airports. These businesses include airlines, fixed base operators, concessionaires, rental car operators, flight instructors, providers of aircraft maintenance, and various governmental agencies. Money earned and spent by these businesses/tenants provides a significant impact to local economies, as well as to the statewide economy.*





*Idaho's system of general aviation airports provides essential intra-State access to many remote areas. The general aviation airports are often used to support medical or other emergency flights. The State's general aviation airports also contribute to tourism by supporting a wide variety of recreational activities. General aviation airports provide the only transportation to much of Idaho's "backcountry." The general aviation airports also support many business and corporate-related activities.*

## Tenants at General Aviation Airports

The vast majority of the airports in the Idaho system serve exclusively various types of general aviation aircraft. These aircraft range from home-built experimental aircraft to the most sophisticated corporate jets. As with the commercial airports, there are many businesses on airports throughout Idaho that exist solely to serve the needs of the State's wide variety of general aviation aircraft and pilots.

Survey results indicate that general aviation airports in Idaho support an estimated 715 jobs on a first round basis. These jobs "multiply" and result in an additional 706 jobs. The total number of jobs estimated to be associated with tenants located at Idaho's general aviation airports is 1,421. These jobs have a total annual payroll of \$22.8 million.

Total annual spending or output related to the tenants at Idaho's general aviation airports is \$81.8 million. This estimate includes both first round expenditures, as well as those output/spending benefits that are realized through the multiplier effect.



## Visitors Arriving Via General Aviation Airports

Each year, many visitors arrive in Idaho via public-use general aviation airports. Some of these visitors are traveling to Idaho on business, while others have come to take advantage of the State's numerous recreational activities. The 67 general aviation airports that are included in the Idaho system of airports provide access to virtually every part of the State, and these airports play a vital role in supplementing the commercial service airports in bringing visitors to Idaho. Several of the general aviation system airports provide important access to recreational opportunities that are unique to Idaho's "backcountry." General aviation airports in the Idaho system also play a key role in providing transportation to many remote portions of the State; and in so doing, they often support important activities such as emergency medical flights and fire fighting activities.

Visitors who arrive in Idaho via one of the general aviation airports in the State system stay for varying lengths of time. According to surveys that were completed as part of the State's study, visitors who are traveling for business-related activities tend to have a shorter trip duration than those visitors who arrive via the general aviation airports for pleasure-related activities. But survey results confirm that visitors who arrive in Idaho by way of the general aviation airports contribute through their spending to additional economic benefits.

For the most recent calendar year, an estimated 372,623 visitors arrived in Idaho by using one of the public-use general aviation airports included in the Idaho Airport System. These visitors spent a total of \$44.8 million. When this spending entered Idaho's economy, additional benefits were created through the multiplier effect. Total output related to the visitors using general aviation airports in Idaho was estimated at \$77.9 million. This spending helps to support an additional 1,735 jobs in Idaho. These jobs related to visitors who arrive by way of the general aviation airports, have an estimated annual payroll of \$38.1 million.



*Many visitors arrive in Idaho each year via general aviation airports. While some of these visitors are traveling on business, others come to Idaho for pleasure or recreational purposes. Visitors who arrive in Idaho by way of the general aviation airports spend money, and this spending helps to support a significant level of employment and associated annual payroll throughout the State.*



## Total Tenant and Visitor Benefits

Businesses located at Idaho's commercial and general aviation airports help to provide a substantial annual economic benefit to the State's economy. When first round and secondary impacts are considered, all tenants at the system airports are estimated to be responsible for \$762.8 million in annual economic activity or output. The activities by tenants at all system airports, including first round and secondary impacts, support an estimated 11,048 jobs. These tenant-related jobs have an estimated annual payroll of \$276 million.

Spending by visitors to Idaho who arrive by way of the airport system creates additional economic benefits in the State. Last year, visitors who arrived in Idaho via all system airports spent, on a first round and secondary basis, an estimated \$583.6 million. This spending supported an additional 13,079 jobs statewide; these jobs had an estimated annual payroll of \$284.1 million.

When both tenant and visitor-related activities are considered, Idaho's airport system is responsible for over \$1.3 billion in annual economic activity (output) and an estimated 24,127 jobs that have an associated annual payroll of \$560.1 million. Clearly, this is a significant benefit to both statewide and local economies. But the benefits provided by Idaho's system of airports are not limited solely to those associated with tenant and visitor-related activities.



tenant output: \$762.8 million

tenant jobs: 11,048

tenant payroll: \$276 million

visitor output: 583.6 million

visitor jobs: 13,079

visitor payroll: \$284.1 million



## Other Benefits

Many non-aviation businesses in Idaho rely on the airport system. Some businesses own or charter general aviation aircraft, many have employees who travel regularly via the commercial airlines, others have customers or suppliers who use the airport system to reach them, and many rely on express and air cargo services which the system airports accommodate. A statewide survey of over 3,000 businesses in Idaho indicates that there are many additional jobs statewide that are reliant in some way on Idaho's system of public-use airports. Survey data indicates there are, in addition to the previously noted tenant and visitor-related jobs that are supported by the airport system, an estimated 26,862 jobs in Idaho that in some way benefit directly from the daily operation of Idaho's Airport System.

In addition to the significant economic benefits that they provide, Idaho's airports also add substantially to the State's quality of life. Aside from being a key resource to businesses both within and beyond the State, Idaho's airports provide many less tangible benefits. Many airports support the operations of aircraft that are used to support the State's vast agricultural and forest industries through the aerial application of fertilizers and pesticides. Airports in more remote portions of Idaho are used on a routine basis to transport patients to larger medical facilities both within and beyond Idaho. Idaho's airports also help to protect lives and property in the State by providing a base for critical fire fighting activities.

These are but a few of the key examples of the many ways in which Idaho's airport system contributes to the quality of life for all residents throughout the State. Even if residents of Idaho never use one of the State's public-use airports, their lives are in some way touched or enriched by the Idaho airport system.

For the airport system to continue to contribute to the many economic, health, welfare, and safety-related benefits that it provides, citizens, the State, elected officials, and communities throughout Idaho must support the continued maintenance, improvement, and operation of even the smallest of the airports in the Idaho system. By so doing, the many positive benefits highlighted in this report can continue to grow.



*The following pages contain information on the specific tenant and visitor-related economic impacts that were found to be associated with each of the airports included in the State's Airport System.*



## Annual Estimated Economic Impacts by Airport

<b>Scheduled Service</b>	<b>Employment</b>	<b>Estimated Payroll</b>	<b>Estimated Output</b>
Boise Air Terminal (Gowen Field)	17,277.4	\$417,479,600	\$941,209,000
Fanning Field, Idaho Falls	853.2	\$18,307,800	\$52,945,800
Friedman Memorial, Hailey	990.2	\$22,474,500	\$90,598,400
Joslin Field-Magic Valley Reg.-Twin Falls	388.7	\$8,077,600	\$19,725,700
Lewiston-Nez Perce County	653.5	\$13,275,000	\$37,355,900
Pocatello Regional	456.1	\$11,890,500	\$27,029,100
Pullman/Moscow Regional	351.2	\$7,788,300	\$17,881,800
<b>Subtotal</b>	<b>20,970.3</b>	<b>\$499,293,300</b>	<b>\$1,186,745,700</b>
<b>General Aviation</b>	<b>Employment</b>	<b>Estimated Payroll</b>	<b>Estimated Output</b>
Aberdeen Municipal	16.1	\$468,800	\$1,331,300
Albion Municipal	15.6	\$327,400	\$657,200
Allen H. Tigert, Soda Springs	25.3	\$542,800	\$1,103,900
American Falls	26.5	\$567,100	\$1,304,300
Atlanta	3.6	\$65,200	\$118,300
Bancroft Municipal	4.1	\$43,200	\$69,300
Bear Lake County, Montpelier	5.7	\$90,300	\$197,600
Boundary County, Bonners Ferry	44.7	\$925,500	\$2,105,100
Brooks Seaplane	6.3	\$111,900	\$275,500
Buhl Municipal	38.1	\$794,000	\$1,751,000
Burley Municipal	107.8	\$2,267,500	\$4,864,200
Caldwell Industrial	282.4	\$5,507,400	\$21,609,300
Camas County, Fairfield	6.5	\$124,100	\$252,600
Carey	3.9	\$71,500	\$153,000
Cascade	38.9	\$694,300	\$1,992,500
Challis	77.4	\$1,928,100	\$4,161,800
Coeur d'Alene Air Terminal	729.3	\$11,818,000	\$29,982,400
Cottonwood	3.6	\$53,800	\$267,300
Council Municipal	9.7	\$196,000	\$405,000
Craigmont Municipal	44.2	\$949,400	\$2,202,000
Donnelly	10.0	\$132,400	\$420,600
Dubois Municipal	3.9	\$67,100	\$133,800
Eckhart International, Porthill	11.2	\$227,600	\$467,100
Elk City	5.6	\$123,200	\$251,300
Elk River Municipal	0.0	\$0	\$1,900
Emmett Municipal	15.6	\$222,300	\$404,400
Glenns Ferry Municipal	1.3	\$31,000	\$79,500
Gooding Municipal	69.9	\$1,296,300	\$2,922,100
Hazelton Municipal	8.2	\$160,100	\$330,200



<b>General Aviation (cont.)</b>	<b>Employment</b>	<b>Estimated Payroll</b>	<b>Estimated Output</b>
Homedale Municipal	18.4	\$385,400	\$818,100
Howe	20.0	\$424,200	\$876,000
Hyde Memorial, Downey	3.9	\$71,500	\$153,000
Idaho County, Grangeville	43.8	\$892,100	\$2,040,800
Jerome County, Jerome	85.1	\$1,890,300	\$4,591,800
Kamiah Municipal	25.4	\$535,200	\$1,121,600
Kooskia Municipal	3.0	\$52,800	\$107,300
Leadore	2.3	\$37,100	\$75,200
Lemhi County, Salmon	95.8	\$1,775,100	\$4,938,000
Mackay	10.0	\$196,600	\$451,800
Malad City	12.9	\$268,100	\$560,600
McCall	192.4	\$4,215,700	\$8,897,300
McCarley Field, Blackfoot	77.6	\$1,704,600	\$4,221,300
Midvale (Lee Williams Memorial)	1.1	\$9,100	\$28,200
Mountain Home Municipal	47.3	\$887,800	\$3,439,700
Mud Lake	25.3	\$431,500	\$823,100
Murphy Airstrip	12.0	\$249,300	\$521,100
Nampa Municipal	356.9	\$7,042,600	\$17,304,700
New Meadows	4.5	\$84,000	\$179,300
Nez Perce Municipal	22.0	\$279,300	\$1,549,500
Oakley Municipal	4.5	\$78,900	\$158,500
Orofino Municipal	37.5	\$741,200	\$1,400,800
Parma	10.8	\$197,800	\$409,700
Payette Municipal	17.6	\$358,200	\$691,200
Pope Field, Arco-Butte County	21.7	\$460,400	\$1,025,500
Preston	21.3	\$438,900	\$1,290,800
Priest River Municipal	19.4	\$407,300	\$832,700
Rexburg-Madison County	102.1	\$1,990,600	\$4,982,900
Rigby-Jefferson County	47.1	\$1,098,100	\$7,241,100
Rockford Municipal	6.5	\$127,600	\$271,300
Sandpoint (Dave Wall Field)	29.0	\$557,700	\$1,534,800
Shoshone County, Kellogg	7.6	\$183,300	\$312,000
Snake River Seaplane Base	0.9	\$5,900	\$24,200
St. Maries Municipal (Pangborn Field)	21.4	\$465,100	\$953,200
Stanford Field, St. Anthony	20.7	\$365,800	\$697,000
Stanley	18.6	\$333,100	\$814,700
Teton Peaks (Driggs Municipal)	48.1	\$887,800	\$2,372,700
Weiser Municipal	47.5	\$909,200	\$2,152,400
<b>Total</b>	<b>24,127.1</b>	<b>\$560,138,800</b>	<b>\$1,346,424,100</b>

Source: The Airport Technology and Planning Group, Inc. (AirTech)-Idaho IMPLAN Multipliers



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